

# Consolidated Financial Results For the Fiscal Year Ended March 31, 2022

Prepared in Conformity with Generally Accepted Accounting Principles in Japan

English Translation from the Original Japanese-Language Document



May 13, 2022

Company Name : **Mazda Motor Corporation** (Tokyo Stock Exchange / Code No. 7261)  
 URL : <https://www.mazda.com/>  
 Representative Person : Akira Marumoto, Representative Director and President  
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 Phone 082-282-1111  
 General Meeting of the Shareholders : Scheduled for June 24, 2022  
 Payment of Dividends : Scheduled for June 27, 2022  
 Filing of *Yuka Shoken Hokokusho*, annual securities report : Scheduled for June 27, 2022  
 Supplementary Material : Yes  
 Briefing Session : Yes (Intended for securities analysts, institutional investors and media)

(In Japanese yen rounded to millions, except amounts per share)

## 1. Consolidated Financial Highlights (April 1, 2021 through March 31, 2022)

### (1) Consolidated Financial Results

(Percentage indicates change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
<b>FY2022</b>	<b>3,120,349</b>	<b>8.3</b>	<b>104,227</b>	-	<b>123,525</b>	<b>337.2</b>	<b>81,557</b>	-
FY2021	2,882,066	(16.0)	8,820	(79.8)	28,251	(46.8)	(31,651)	-

Note: Comprehensive income  
**FY2022** **129,823** millions of yen ( **534.6** %)  
**FY2021** 20,457 millions of yen ( - %)

	Net Income Per Share	Net Income Per Share (Diluted)	Return on Equity	Ordinary Income to Total Assets	Operating Income to Sales
	yen	yen	%	%	%
<b>FY2022</b>	<b>129.49</b>	<b>129.38</b>	<b>6.6</b>	<b>4.2</b>	<b>3.3</b>
FY2021	(50.26)	-	(2.7)	1.0	0.3

Reference: Equity in net income of affiliates (for the fiscal years ended March 31)  
**FY2022** **(4,074)** millions of yen  
**FY2021** 6,622 millions of yen

### (2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	millions of yen	millions of yen	%	yen
<b>As of Mar. 31, 2022</b>	<b>2,968,148</b>	<b>1,316,697</b>	<b>43.8</b>	<b>2,065.74</b>
As of Mar. 31, 2021	2,917,414	1,195,830	40.5	1,876.40

Reference: Net assets excluding non-controlling interests and stock acquisition rights (as of March 31)  
**FY2022** **1,301,140** millions of yen  
**FY2021** 1,181,730 millions of yen

### (3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Ending Cash & Cash Equivalents
	millions of yen	millions of yen	millions of yen	millions of yen
<b>FY2022</b>	<b>189,155</b>	<b>(136,237)</b>	<b>(86,405)</b>	<b>740,385</b>
FY2021	120,058	(78,862)	99,348	738,793

## 2. Dividends

	Dividends per Share					Total Amount of Annual Dividends	Dividends Payout Ratio (Consolidated)	Ratio of Dividends to Net Assets (Consolidated)
	1st. Qtr.	2nd. Qtr.	3rd. Qtr.	Year-End	Full Year			
	yen	yen	yen	yen	yen	millions of yen	%	%
FY2021	-	0.00	-	0.00	0.00	-	-	-
<b>FY2022</b>	-	<b>0.00</b>	-	<b>20.00</b>	<b>20.00</b>	<b>12,597</b>	<b>15.4</b>	<b>1.0</b>
FY2023 (Forecast)	-	15.00	-	20.00	35.00		27.6	

## 3. Consolidated Financial Forecast (April 1, 2022 through March 31, 2023)

(Percentage indicates change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent		Net Income Per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
FY2023 Full Year	3,800,000	21.8	120,000	15.1	105,000	(15.0)	80,000	(1.9)	127.01

**\*Notes**

**(1) Changes in Significant Subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation):**

Newly added subsidiaries: None Excluded subsidiaries: None

**(2) Changes in accounting policies / Changes in accounting estimates / Restatement:**

- |  |      |
|--|------|
| 1) Changes in accounting policies with accompanying revision of accounting standards | Yes  |
| 2) Voluntary changes in accounting policies except 1)                                | None |
| 3) Changes in accounting estimates   | None |
| 4) Restatement   | None |

Note: Please refer to "3.Consolidated Financial Statements and Major Footnotes (5)Footnotes to the Consolidated Financial statements" on page 14 of the attachment.

**(3) Number of outstanding shares (Common stock)**

1) Outstanding shares at period-end (including treasury stock)	<b>As of March 31, 2022</b>	<b>631,803,979</b> shares
	As of March 31, 2021	631,803,979 shares
2) Treasury stock at period-end	<b>As of March 31, 2022</b>	<b>1,938,951</b> shares
	As of March 31, 2021	2,018,122 shares
3) Average number of outstanding shares during the period	<b>Year ended March 31, 2022</b>	<b>629,852,659</b> shares
	Year ended March 31, 2021	629,786,284 shares

**(Reference)**

**Unconsolidated Financial Highlights (April 1, 2021 through March 31, 2022)**

**(1) Unconsolidated Financial Results**

(Percentage indicates change from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
<b>FY2022</b>	<b>2,339,290</b>	<b>9.5</b>	<b>69,877</b>	-	<b>130,014</b>	-	<b>84,529</b>	-
FY2021	2,135,873	(17.4)	(82,882)	-	(23,083)	-	(35,813)	-

	Net Income Per Share	Net Income Per Share (Diluted)
	yen	yen
<b>FY2022</b>	<b>134.20</b>	<b>134.09</b>
FY2021	(56.86)	-

**(2) Unconsolidated Financial Position**

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	millions of yen	millions of yen	%	yen
<b>As of Mar. 31, 2022</b>	<b>2,327,779</b>	<b>1,062,218</b>	<b>45.6</b>	<b>1,685.70</b>
As of Mar. 31, 2021	2,309,305	966,004	41.8	1,533.24

Reference: Net Assets excluding stock acquisition rights (as of March 31) **FY2022 1,061,778 millions of yen**  
FY2021 965,622 millions of yen

**This document is out of the scope of audit by certified public accountants or accounting auditor.**

**Cautionary Statements with Respect to Forward-Looking Statements and Other Notes**

The financial forecast and other descriptions of the future presented in this document are an outlook based on our judgments and projections.

The judgments and projections are based on information presently available. As such, the financial forecast and future descriptions are subject to uncertainties and risks, and are not contemplated to ensure the fulfillment thereof.

Accordingly, the actual financial performance may vary significantly due to various factors.

For detail such as precondition of the financial forecast, please refer to "1.Overview of Financial Results, etc. - (4) Financial Forecast" on page 4 of the attachment.

## Attachment

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**Financial Summary (Consolidated) For the Fiscal Year Ended March 2022**

**Financial Summary (Unconsolidated) For the Fiscal Year Ended March 2022**

# 1. Overview of Financial Results, etc.

## (1) Overview of Financial Results

With regard to the business environment surrounding the Mazda Group this fiscal year, the global economy as a whole showed signs of recovery against a background of additional economic stimulus measures in the U.S. and Europe, and improvement in corporate performance in the wake of an increase in demand despite lockdowns, restrictions on movement, and other measures taken by various countries following new waves of COVID-19 outbreaks. Since the fourth quarter, however, the outlook for the business environment remains unclear amid growing concerns about inflation due to a dramatic increase in demand, the spread of COVID-19 in China, and the emergence of geopolitical risks such as the situation in Ukraine.

Under these conditions, despite a reduction in production due to new waves of Covid-19 outbreaks and a semiconductor supply shortage, and a deterioration in the external environment including surges in material prices, the Mazda Group steadily implemented sales quality improvements such as streamlining sales costs and improving unit prices as well as cost cutting and improving fixed cost efficiency. As a result, we achieved the lower break-even volume target we committed to in our medium-term management plan ahead of schedule and steadily improved our profit base. And taking into account the rigorous competition the Mazda Group will face in new value creation in an era of CASE, the Company shifted the focus of investment quality to electrification, IT and realizing carbon neutrality by 2050 and pressed forward in all areas to complete preparations for stronger growth in the future.

In October last year, as a plan to enhance the crossover SUV lineup from 2022 onwards, Mazda announced a plan to introduce five new models of the Mazda CX-50, Mazda CX-60, Mazda CX-70, Mazda CX-80 and the Mazda CX-90 into the global market. Of these models, we began production of the CX-50 at our new U.S. plant in January and began production of the CX-60 as well in March this year. By making full use of our technological assets such as bundled planning, flexible production and other technological assets, we are expanding the product lineup efficiently with low investment and aim for stable business growth over the medium and long terms. We will continue to provide customers with diverse choices that combine both the latest environmental performance and joy of driving, the pure essence of cars, and aim to become a brand that creates special bonds with customers by inspiring people and to realize a beautiful planet and enrich people's lives as well as society.

### [Global sales]

Global sales volume for the fiscal year ended March 31, 2022 was 1,251 thousand units, down 2.8% year on year as sales declined in Japan, China, ASEAN and other countries due to new waves of COVID-19 outbreaks and a semiconductor supply shortage. On the other hand, in the U.S. and Australia, where sales have been robust, year-on-year increases in sales volume were achieved in both markets as Mazda sales outpaced average demand recovery in the industry.

Sales volume by market is as shown below.

#### <Japan>

In Japan, while sales of the Mazda CX-5 were strong following the introduction of the updated model, total sales declined due to supply shortages, resulting in sales of 149 thousand units, down 15.8% year on year.

#### <North America>

In the U.S., sales rose 12.6% year on year to 332 thousand units, led by crossover SUVs such as the Mazda CX-30, CX-5, and Mazda CX-9. Although sales in both Canada and Mexico declined, sales in North America as a whole rose 8.9% year on year to 439 thousand units.

#### <Europe>

As the CX-30 enjoyed strong sales and sales recovered in the U.K., one of the key markets, sales in Europe rose 6.3%

year on year to 190 thousand units. Mazda2 Hybrid was introduced in March 2022.

<China>

In China, while sales of the Mazda3 were strong, sales of key models such as the Mazda CX-4 and CX-5 declined, resulting in sales of 170 thousand units, down 25.5% year on year.

<Other markets>

In Australia, another key market, sales rose 11.7% year on year to 103 thousand units, as Mazda sales outpaced the recovery in overall demand with crossover SUV models such as the CX-30 and CX-5 leading the strong sales. However, as sales in ASEAN markets such as Thailand declined, sales in other markets as a whole rose 0.7% year on year to 303 thousand units.

[Consolidated financial results]

Financial performance on a consolidated basis for the fiscal year ended March 31, 2022 was as follows.

	(In billion yen)			
	FY2021	FY2022	vs. Prior Year	
	Full Year	Full Year	Amount	Rate
Net sales	2,882.1	3,120.3	238.2	8.3%
Operating income	8.8	104.2	95.4	—%
Ordinary income	28.3	123.5	95.3	337.2%
Net income/(loss) attributable to owners of the parent	(31.7)	81.6	113.2	—%

And, operating income changes were as follows.

	(In billion yen)
	Full Year
Volume & mix	98.4
Exchange rate	45.7
Cost improvement	(59.4)
Fixed costs and others	22.3
Transfer to extraordinary loss by production suspension	8.9
Transfer of extraordinary loss in the previous fiscal year	(20.5)
Total	95.4

Financial results by segment were as follows.

		(In billion yen)			
		FY2021	FY2022	vs. Prior Year	
		Full Year	Full Year	Amount	Rate
Net sales	Japan	2,331.6	2,544.7	213.1	9.1%
	North America	1,280.5	1,442.0	161.6	12.6%
	Europe	509.7	560.3	50.6	9.9%
	Other	554.8	612.0	57.3	10.3%
Operating income	Japan	(64.7)	85.7	150.4	—%
	North America	40.5	(9.5)	(50.0)	—%
	Europe	10.0	14.9	4.9	48.9%
	Other	17.8	16.5	(1.2)	(6.9)%

The company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. effective from the beginning of the fiscal year ended March 31, 2022 as changes in accounting policies. For further details, please refer to “(5) Footnotes to the Consolidated Financial Statements – (Changes in Accounting Policies)”.

## **(2) Overview of Financial Position**

As of March 31, 2022, total assets increased ¥50.7 billion from the end of the previous fiscal year, to ¥2,968.1 billion. Total liabilities decreased ¥70.1 billion from the end of the previous fiscal year to ¥1,651.5 billion.

Net Assets as of March 31, 2022 increased ¥120.9 billion from the end of the previous fiscal year to ¥1,316.7 billion, reflecting net income attributable to owners of the parent of ¥81.6 billion and others. Equity ratio increased 3.3 percentage points from the end of the previous fiscal year to 43.8 % (Percentage after consideration of the equity credit attributes of the subordinated loan was 45.0 %).

## **(3) Overview of Cash Flows**

Cash and cash equivalent as of March 31, 2022 increased ¥1.6 billion from the end of the previous fiscal year to ¥740.4 billion. Interest-bearing debt as of March 31, 2022 decreased ¥75.1 billion from the end of previous fiscal year to ¥680.8 billion. As a result, we are in a net cash position of ¥59.6 billion.

Cash flows for the fiscal year ended March 31, 2022 by activities were as follows.

### Cash flows from operating activities

Net cash provided by operating activities was ¥189.2 billion, mainly reflecting income before income taxes of ¥112.4 billion and decrease in inventories, etc. (For the previous fiscal year, net cash provided by operating activities was ¥120.1 billion.)

### Cash flows from investing activities

Net cash used in investing activities was ¥136.2 billion, mainly reflecting capital expenditure for the purchase of property, plant and equipment of ¥121.9 billion. (For the previous fiscal year, net cash used in investing activities was ¥78.9 billion.)

As a result, consolidated free cash flow (net of operating and investing activities) was positive ¥52.9 billion. (For the previous fiscal year, consolidated free cash flow was positive ¥41.2 billion.)

### Cash flows from financing activities

Net cash used in financing activities was ¥86.4 billion, mainly reflecting the repayments of long-term loans payable. (For the previous fiscal year, net cash provided by financing activities was ¥99.3 billion.)

## **(4) Financial Forecast**

The current business environment is still unpredictable, such as the parts supply shortage including semiconductor. In the fiscal year ending March 2023, however, in addition to continuous strengthening of qualitative improvements, we will further accelerate the growth in sales volume by introducing our new products, the CX-50 and CX-60. With regard to the consolidated financial forecast for the fiscal year ending March 2023, maintaining a strong financial foundation, we aim to achieve the profit level set forth in the medium-term management plan for strong growth through sales recovery on a global basis, introduction of new products, and continuous improvement in variable profit.

The outlook for the fiscal year ending March 31, 2023 is as follows.

#### Consolidated Financial Forecast (April 1, 2022 through March 31, 2023)

	Full Year	vs. Prior Year
Net sales	3,800 billion yen	21.8 %
Operating income	120 billion yen	15.1 %
Ordinary income	105 billion yen	(15.0) %
Net income attributable to owners of the parent	80 billion yen	(1.9) %
Exchange rate		
USD	123 Yen	11 Yen
EUR	133 Yen	3 Yen

#### Global Retail Volume Forecast (April 1, 2022 through March 31, 2023)

	Full Year	vs. Prior Year
Japan	191 thousand units	28.3 %
North America	483 thousand units	9.9 %
Europe	190 thousand units	0.0 %
China	170 thousand units	0.0 %
Other	316 thousand units	4.0 %
Total	1,349 thousand units	7.8 %

Note: The forecast stated above is based on management's judgment and views in light of information presently available. By nature, such forecasts are subject to risks and uncertainties, and are not contemplated to ensure the fulfillment thereof. Therefore, we advise against making an investment decision by solely relying on this forecast. Variables that could affect the actual financial results include, but are not limited to, the economic environments surrounding our business areas and fluctuations in exchange rates.

### (5) Basic Dividend Policy, Dividends for March 2022 and March 2023 Fiscal Years

Mazda's policy regarding the stock dividend is to determine the amount of dividend payments, taking into account current fiscal year's financial results, business environment, and financial condition, etc. And Mazda is striving for realization of a stable shareholder returns and its future steady increase.

With regard to the dividend for the fiscal year ended March 31, 2022, we plan to declare ¥20 per share.

For the next fiscal year ending March 31, 2023, our current forecast for dividends is ¥35 per share (comprised of an interim dividend of ¥15 and a year-end dividend of ¥20).

## 2. Basic Rationale for the Selection of Accounting Standards

We are considering to apply International Financial Reporting Standards (IFRS) in the future, in order to enhance the international comparability of its financial information, quality of Group management and corporate governance. In regard to its timing of IFRS application, we will examine it observing the trend of the adoption among Japanese companies as well as the domestic and overseas economic situations, etc.

### 3. Consolidated Financial Statements and Major Footnotes

#### (1) Consolidated Balance Sheets

(Millions of Yen)

As of	FY2021 March 31, 2021	FY2022 March 31, 2022
<b>ASSETS</b>		
Current Assets:		
Cash and deposits	591,101	<b>669,390</b>
Trade notes and accounts receivable	167,533	<b>146,136</b>
Securities	147,900	<b>71,000</b>
Inventories	433,049	<b>399,923</b>
Other	151,815	<b>173,177</b>
Allowance for doubtful receivables	(1,803)	<b>(1,813)</b>
Total current assets	1,489,595	<b>1,457,813</b>
Non-current Assets:		
Property, plant and equipment:		
Buildings and structures (net)	189,949	<b>197,286</b>
Machinery, equipment and vehicles (net)	277,160	<b>340,378</b>
Tools, furniture and fixtures (net)	56,682	<b>86,478</b>
Land	417,027	<b>418,454</b>
Leased assets (net)	20,617	<b>21,171</b>
Construction in progress	113,733	<b>82,949</b>
Total property, plant and equipment	1,075,168	<b>1,146,716</b>
Intangible assets:		
Software	40,500	<b>45,761</b>
Other	2,414	<b>2,597</b>
Total intangible assets	42,914	<b>48,358</b>
Investments and other assets:		
Investment securities	203,432	<b>222,192</b>
Asset for retirement benefits	6,660	<b>7,912</b>
Deferred tax assets	61,120	<b>37,256</b>
Other	38,870	<b>52,964</b>
Allowance for doubtful receivables	(345)	<b>(5,063)</b>
Total investments and other assets	309,737	<b>315,261</b>
Total non-current assets	1,427,819	<b>1,510,335</b>
Total Assets	2,917,414	<b>2,968,148</b>



(Millions of Yen)

As of	FY2021 March 31, 2021	FY2022 March 31, 2022
<b>LIABILITIES</b>		
Current Liabilities:		
Trade notes and accounts payable	363,679	345,443
Short-term loans payable	1,608	1,526
Long-term loans payable due within one year	11,323	62,437
Lease obligations	4,482	4,394
Income taxes payable	5,336	6,621
Other accounts payable	47,962	42,585
Accrued expenses	238,099	244,683
Reserve for warranty expenses	80,504	66,261
Other	54,657	124,983
Total current liabilities	807,650	898,933
Non-current liabilities:		
Bonds	50,000	50,000
Long-term loans payable	670,920	540,083
Lease obligations	17,595	19,015
Deferred tax liability related to land revaluation	64,537	64,537
Liability for retirement benefits	50,039	33,433
Other	60,843	45,450
Total non-current liabilities	913,934	752,518
Total Liabilities	1,721,584	1,651,451
<b>NET ASSETS</b>		
Capital and Retained Earnings:		
Common stock	283,957	283,957
Capital surplus	263,028	263,003
Retained earnings	508,784	581,458
Treasury stock	(2,187)	(2,100)
Total capital and retained earnings	1,053,582	1,126,318
Accumulated Other Comprehensive Income/(Loss):		
Net unrealized gain/(loss) on available-for-sale securities	16,002	29,707
Deferred gains/(losses) on hedges	(312)	(1,314)
Land revaluation	145,536	145,536
Foreign currency translation adjustment	(30,897)	(6,162)
Accumulated adjustments for retirement benefits	(2,181)	7,055
Total accumulated other comprehensive income/(loss)	128,148	174,822
Stock Acquisition Rights	382	440
Non-controlling Interests	13,718	15,117
Total Net Assets	1,195,830	1,316,697
Total Liabilities and Net Assets	2,917,414	2,968,148

**(2) Consolidated Statements of Operations and Comprehensive Income****Consolidated Statements of Operations**

(Millions of Yen)

For the years ended	FY2021 March 31, 2021	FY2022 March 31, 2022
Net sales	2,882,066	<b>3,120,349</b>
Cost of sales	2,268,422	<b>2,432,645</b>
Gross profit	613,644	<b>687,704</b>
Selling, general and administrative expenses	604,824	<b>583,477</b>
Operating income	8,820	<b>104,227</b>
Non-operating income		
Interest income	2,988	<b>3,266</b>
Dividend income	2,185	<b>2,529</b>
Rental income	1,682	<b>1,634</b>
Equity in net income of affiliated companies	6,622	-
Foreign exchange gain	16,062	<b>30,288</b>
Other	2,963	<b>2,517</b>
Total	32,502	<b>40,234</b>
Non-operating expenses		
Interest expense	8,034	<b>6,782</b>
Loss on transfer of receivables	891	<b>932</b>
Equity in net loss of affiliated companies	-	<b>4,074</b>
Taxes and dues	-	<b>2,387</b>
Other	4,146	<b>6,761</b>
Total	13,071	<b>20,936</b>
Ordinary income	28,251	<b>123,525</b>
Extraordinary income		
Gain on sales of property, plant and equipment	352	<b>69</b>
Gain on sale of investment securities	400	-
Insurance claim income	-	<b>1,009</b>
Gain on change in equity	-	<b>4,047</b>
Other	212	<b>42</b>
Total	964	<b>5,167</b>
Extraordinary losses		
Loss on sales and retirement of property, plant and equipment	4,915	<b>4,669</b>
Impairment loss	1,355	<b>691</b>
Loss on disaster	-	<b>1,563</b>
Loss on production suspension and others due to the novel coronavirus	20,460	<b>8,861</b>
Other	283	<b>509</b>
Total	27,013	<b>16,293</b>
Income before income taxes	2,202	<b>112,399</b>
Income taxes		
Current	17,400	<b>11,219</b>
Deferred	16,856	<b>18,833</b>
Total	34,256	<b>30,052</b>
Net income/(loss)	(32,054)	<b>82,347</b>
Net income/(loss) attributable to Non-controlling interests	(403)	<b>790</b>
Net income/(loss) attributable to owners of the parent	(31,651)	<b>81,557</b>

## Consolidated Statements of Comprehensive Income

(Millions of Yen)

For the years ended	FY2021 March 31, 2021	FY2022 March 31, 2022
Net income/(loss)	(32,054)	<b>82,347</b>
Other comprehensive income/(loss)		
Net unrealized gain/(loss) on available-for-sale securities	13,754	<b>13,709</b>
Deferred gains/(losses) on hedges	(545)	<b>(1,141)</b>
Foreign currency translation adjustment	19,698	<b>20,909</b>
Adjustments for retirement benefits	22,384	<b>8,807</b>
Share of other comprehensive income/(loss) of affiliates accounted for using equity method	(2,780)	<b>5,192</b>
Total	52,511	<b>47,476</b>
Comprehensive income	20,457	<b>129,823</b>
Comprehensive income/(loss) attributable to:		
Owners of the parent	21,269	<b>128,231</b>
Non-controlling interests	(812)	<b>1,592</b>

### (3) Consolidated Statements of Changes in Net Assets

(For the Year Ended March 31, 2021)

	Capital and Retained Earnings					Accumulated Other Comprehensive Income/(Loss)	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2020	283,957	264,917	552,993	(2,186)	1,099,681	2,231	321
Cumulative effects of changes in accounting policies					-		
Restated balance	283,957	264,917	552,993	(2,186)	1,099,681	2,231	321
Changes during the period:							
Dividends paid			(12,596)		(12,596)		
Net loss attributable to owners of the parent			(31,651)		(31,651)		
Purchase of treasury stock				(1)	(1)		
Sale of treasury stock					-		
Reversal for land revaluation			38		38		
Change in ownership interest of parent arising from transactions with non-controlling shareholders		(1,889)			(1,889)		
Changes in items other than capital and retained earnings, net						13,771	(633)
Total changes during the period	-	(1,889)	(44,209)	(1)	(46,099)	13,771	(633)
Balance at March 31, 2021	283,957	263,028	508,784	(2,187)	1,053,582	16,002	(312)

	Accumulated Other Comprehensive Income/(Loss)				Stock Acquisition Rights	Non-controlling Interests	Total Net Assets
	Land revaluation	Foreign currency translation adjustment	Accumulated adjustments for retirement benefits	Total			
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2020	145,574	(48,256)	(24,604)	75,266	290	30,609	1,205,846
Cumulative effects of changes in accounting policies							-
Restated balance	145,574	(48,256)	(24,604)	75,266	290	30,609	1,205,846
Changes during the period:							
Dividends paid							(12,596)
Net loss attributable to owners of the parent							(31,651)
Purchase of treasury stock							(1)
Sale of treasury stock							-
Reversal for land revaluation							38
Change in ownership interest of parent arising from transactions with non-controlling shareholders							(1,889)
Changes in items other than capital and retained earnings, net	(38)	17,359	22,423	52,882	92	(16,891)	36,083
Total changes during the period	(38)	17,359	22,423	52,882	92	(16,891)	(10,016)
Balance at March 31, 2021	145,536	(30,897)	(2,181)	128,148	382	13,718	1,195,830

(For the Year Ended March 31, 2022)

	Capital and Retained Earnings					Accumulated Other Comprehensive Income/(Loss)	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges
	Milyen	Milyen	Milyen	Milyen	Milyen	Milyen	Milyen
<b>Balance at April 1, 2021</b>	<b>283,957</b>	<b>263,028</b>	<b>508,784</b>	<b>(2,187)</b>	<b>1,053,582</b>	<b>16,002</b>	<b>(312)</b>
Cumulative effects of changes in accounting policies			(8,883)		(8,883)		
<b>Restated balance</b>	<b>283,957</b>	<b>263,028</b>	<b>499,901</b>	<b>(2,187)</b>	<b>1,044,699</b>	<b>16,002</b>	<b>(312)</b>
<b>Changes during the period:</b>							
Dividends paid					-		
Net income attributable to owners of the parent			81,557		81,557		
Purchase of treasury stock				(1)	(1)		
Sale of treasury stock		(25)		88	63		
Reversal for land revaluation					-		
Change in ownership interest of parent arising from transactions with non-controlling shareholders					-		
Changes in items other than capital and retained earnings, net						13,705	(1,002)
<b>Total changes during the period</b>	<b>-</b>	<b>(25)</b>	<b>81,557</b>	<b>87</b>	<b>81,619</b>	<b>13,705</b>	<b>(1,002)</b>
<b>Balance at March 31, 2022</b>	<b>283,957</b>	<b>263,003</b>	<b>581,458</b>	<b>(2,100)</b>	<b>1,126,318</b>	<b>29,707</b>	<b>(1,314)</b>

	Accumulated Other Comprehensive Income/(Loss)				Stock Acquisition Rights	Non-controlling Interests	Total Net Assets
	Land revaluation	Foreign currency translation adjustment	Accumulated adjustments for retirement benefits	Total			
	Milyen	Milyen	Milyen	Milyen	Milyen	Milyen	Milyen
<b>Balance at April 1, 2021</b>	<b>145,536</b>	<b>(30,897)</b>	<b>(2,181)</b>	<b>128,148</b>	<b>382</b>	<b>13,718</b>	<b>1,195,830</b>
Cumulative effects of changes in accounting policies							(8,883)
<b>Restated balance</b>	<b>145,536</b>	<b>(30,897)</b>	<b>(2,181)</b>	<b>128,148</b>	<b>382</b>	<b>13,718</b>	<b>1,186,947</b>
<b>Changes during the period:</b>							
Dividends paid							-
Net income attributable to owners of the parent							81,557
Purchase of treasury stock							(1)
Sale of treasury stock							63
Reversal for land revaluation							-
Change in ownership interest of parent arising from transactions with non-controlling shareholders							-
Changes in items other than capital and retained earnings, net	-	24,735	9,236	46,674	58	1,399	48,131
<b>Total changes during the period</b>	<b>-</b>	<b>24,735</b>	<b>9,236</b>	<b>46,674</b>	<b>58</b>	<b>1,399</b>	<b>129,750</b>
<b>Balance at March 31, 2022</b>	<b>145,536</b>	<b>(6,162)</b>	<b>7,055</b>	<b>174,822</b>	<b>440</b>	<b>15,117</b>	<b>1,316,697</b>

#### (4) Consolidated Statements of Cash Flows

(Millions of Yen)

For the years ended	FY2021 March 31, 2021	FY2022 March 31, 2022
Cash flows from operating activities:		
Income before income taxes	2,202	112,399
Adjustments to reconcile income before income taxes to net cash provided by/(used in) operating activities:		
Depreciation and amortization	89,765	90,281
Impairment loss	1,355	691
Increase/(decrease) in allowance for doubtful receivables	847	4,625
Increase/(decrease) in reserve for warranty expenses	(6,664)	(14,243)
Increase/(decrease) in liability for retirement benefits	2,796	(5,169)
Interest and dividend income	(5,173)	(5,795)
Interest expense	8,034	6,782
Equity in net loss/(income) of affiliated companies	(6,622)	4,074
Loss/(gain) on change in equity	-	(4,047)
Loss/(gain) on sales and retirement of property, plant and equipment	4,383	4,597
Loss/(gain) on sales of investment securities	(120)	-
Decrease/(increase) in trade notes and accounts receivable	5,785	(17,929)
Decrease/(increase) in inventories	30,051	77,411
Decrease/(increase) in other current assets	(6,113)	(24,064)
Increase/(decrease) in trade notes and accounts payable	(6,864)	(22,963)
Increase/(decrease) in other current liabilities	19,591	22,543
Other	(4,467)	(52,763)
Subtotal	128,786	176,430
Interest and dividends received	23,452	36,743
Interest paid	(7,730)	(9,176)
Proceeds from insurance income	-	1,009
Income taxes refunded/(paid)	(30,004)	(18,250)
Refund of income taxes for prior periods	5,554	2,456
Other	-	(57)
Net cash provided by/(used in) operating activities	120,058	189,155
Cash flows from investing activities:		
Net decrease/(increase) in time deposits	759	203
Purchase of investment securities	(255)	(389)
Proceeds from sales and redemption of investment securities	1,785	323
Purchase of property, plant and equipment	(71,776)	(121,946)
Proceeds from sales of property, plant and equipment	1,462	709
Purchase of intangible assets	(14,263)	(17,405)
Net decrease/(increase) in short-term loans receivable	263	598
Payments of long-term loans receivable	(587)	(145)
Collections of long-term loans receivable	3,848	1,480
Other	(98)	335
Net cash provided by/(used in) investing activities	(78,862)	(136,237)

(Millions of Yen)

For the years ended	FY2021 March 31, 2021	FY2022 March 31, 2022
Cash flows from financing activities:		
Net increase/(decrease) in short-term loans payable	(120,121)	<b>(92)</b>
Proceeds from long-term loans payable	291,436	<b>70,614</b>
Repayments of long-term loans payable	(36,545)	<b>(151,487)</b>
Proceeds from sale and leaseback transactions	139	<b>95</b>
Repayments of lease obligations	(4,996)	<b>(5,404)</b>
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(17,831)	-
Cash dividends paid	(12,596)	-
Cash dividends paid to non-controlling interests	(137)	<b>(193)</b>
Net decrease/(increase) in treasury stock	(1)	<b>62</b>
Net cash provided by/(used in) financing activities	99,348	<b>(86,405)</b>
Effect of exchange rate fluctuations on cash and cash equivalents	30,255	<b>35,079</b>
Net increase/(decrease) in cash and cash equivalents	170,799	<b>1,592</b>
Cash and cash equivalents at beginning of the period	567,994	<b>738,793</b>
Cash and cash equivalents at end of the period	738,793	<b>740,385</b>

## **(5) Footnotes to the Consolidated Financial Statements**

### **(Note on the Assumptions as Going Concern)**

Not applicable

### **(Changes in Accounting Policies)**

#### **- Application of Accounting Standard for Revenue Recognition**

We have applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. effective from the beginning of the fiscal year ended March 31, 2022 and it recognizes revenue when (or as) it satisfies a performance obligation by transferring promised goods or services (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. It recognizes as revenue the amount expected to be received upon exchange of goods or services.

In accordance with this, although revenue was recognized for domestic dealers’ sales of new cars at the time of the registration of vehicles under the previous accounting method, the accounting method has been changed to one that recognizes revenue at the time of the delivery to customers. In addition, while the Company's Connected Service was not recognized as revenue because no consideration was received for it under the previous accounting method, the treatment has been changed to one that the service is treated as individual performance obligation and recognizes revenue over a certain period by allocating revenue between performance obligations. Besides that, a part of sales promotion expenses paid by the Company and U.S. subsidiary to the dealer were treated as selling, general and administrative expenses, but the accounting method has been changed to one that deducts them from revenue.

The application of the Accounting Standard for Revenue Recognition, etc. is subject to the transitional treatment provided for in the proviso of Paragraph 84 of the Accounting Standard for Revenue Recognition. Assuming the new accounting policy had been applied to periods prior to the beginning of the fiscal year ended March 31, 2022, the cumulative effect of the retrospective application was added to or subtracted from the beginning balance of retained earnings of the fiscal year ended March 31, 2022, and thus the new accounting policy has been applied from the beginning balance.

As a result, for the fiscal year ended March 31, 2022, net sales decreased by ¥42,003 million, cost of sales increased by ¥12,196 million, selling, general and administrative expenses decreased by ¥58,760 million, operating income, ordinary income and income before income taxes increased by ¥4,561 million. And, on the consolidated balance sheet for the fiscal year ended March 31, 2022, the beginning balance of retained earnings decreased by ¥8,883 million. The effect on per share information is immaterial.

#### **- Application of Accounting Standard for Fair Value Measurement**

We have applied “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as “Fair Value Accounting Standards”), etc., from the beginning of the fiscal year ended March 31, 2022. We have applied a new accounting policy established by Fair Value Accounting Standards, etc., in accordance with the transitional treatment specified in Paragraph 19 of Fair Value Accounting Standards and Paragraph 44-2 of “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019). This has no effect on the consolidated financial statements.



**(Additional Information)**

- Accounting Estimates Regarding the Impact of Novel Coronavirus

As the impact of the novel coronavirus pandemic is still unpredictable, the Company has assessed the recoverability of deferred tax assets assuming the limited impact will continue on the fiscal year ending March 31, 2023.

It should be noted that the changes in the assumptions including the global spread of the novel coronavirus in the future may affect the Company's consolidated financial results.

## (Segment Information)

### 1) Overview of Reportable Segments

The reportable segments of Mazda Group consist of business components for which separate financial statements are available. The reportable segments are the subject of periodical review by board of directors' meetings for the purpose of making decisions on the distribution of corporate resources and evaluating business performance.

Mazda Group is primarily engaged in the manufacture and sale of automobiles. Businesses in Japan are managed by Mazda Motor Corporation. Businesses in North America are managed by Mazda Motor of America, Inc. and Mazda Motor Corporation. And businesses in Europe regions are managed by Mazda Motor Europe GmbH and Mazda Motor Corporation. Areas other than Japan, North America and Europe are defined as Other areas, regarding it as one management unit. Business deployment in countries in Other areas are managed in an integrated manner by Mazda Motor Corporation.

Accordingly, Mazda Group consists of regional segments based on a system of managing production and sale. As such, Japan, North America, Europe and Other areas are designated as four reportable segments.

### 2) Measurement of Sales, Income or Loss, Assets, and Other Items by Reportable Segments

The accounting treatment of reportable segments is the same as that used for the preparation of Consolidated Financial Statements. In addition, inter-segment sales or transfer are based on the current market price.

### 3) Sales, Income or Loss, Assets, and Other Items by Reportable Segments

(For the fiscal year ended March 31, 2021)

(Millions of Yen)

Year Ended March 31, 2021	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	866,977	1,027,856	490,134	497,099	2,882,066	-	2,882,066
Inter-segment sales or transfer	1,464,574	252,611	19,600	57,664	1,794,449	(1,794,449)	-
Total	2,331,551	1,280,467	509,734	554,763	4,676,515	(1,794,449)	2,882,066
Segment income/(loss)	(64,724)	40,477	10,002	17,761	3,516	5,304	8,820
Segment assets	2,343,476	449,287	198,115	354,802	3,345,680	(428,266)	2,917,414
Other items							
Depreciation and amortization	59,723	19,345	4,574	6,123	89,765	-	89,765
Investments in affiliated companies on the equity method	32,612	5,230	2,444	82,776	123,062	-	123,062
Increase in property, plant and equipment and intangible assets	64,238	24,892	2,063	1,779	92,972	-	92,972

Notes: 1. Notes on Adjustment:

- (1) The adjustment on segment income/(loss) is eliminations of inter-segment transactions.
  - (2) The adjustment on segment assets is mainly eliminations of inter-segment receivables and payables.
2. The segment income/(loss) is reconciled with the operating income in the consolidated statement of operations for the fiscal year ended March 31, 2021.
- The segment assets are reconciled with the total assets in the consolidated balance sheet as of March 31, 2021.

(For the fiscal year ended March 31, 2022)

(Millions of Yen)

Year Ended March 31, 2022	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	816,357	1,206,667	539,399	557,926	3,120,349	-	3,120,349
Inter-segment sales or transfer	1,728,336	235,361	20,935	54,123	2,038,755	(2,038,755)	-
Total	2,544,693	1,442,028	560,334	612,049	5,159,104	(2,038,755)	3,120,349
Segment income/(loss)	85,700	(9,485)	14,888	16,542	107,645	(3,418)	104,227
Segment assets	2,395,667	525,662	185,391	363,852	3,470,572	(502,424)	2,968,148
Other items							
Depreciation and amortization	56,664	22,101	5,098	6,418	90,281	-	90,281
Investments in affiliated companies on the equity method	33,424	-	2,414	86,101	121,939	-	121,939
Increase in property, plant and equipment and intangible assets	92,763	46,287	1,369	3,913	144,332	-	144,332

Notes: 1. Notes on Adjustment:

(1) The adjustment on segment income/(loss) is eliminations of inter-segment transactions.

(2) The adjustment on segment assets is mainly eliminations of inter-segment receivables and payables.

2. The segment income/(loss) is reconciled with the operating income in the consolidated statement of operations for the fiscal year ended March 31, 2022.

The segment assets are reconciled with the total assets in the consolidated balance sheet as of March 31, 2022.

3. As noted in “Changes in Accounting Policies”, we have applied “Accounting Standard for Revenue Recognition”, etc. effective from the beginning of the fiscal year ended March 31, 2022. Therefore, we have similarly changed the measuring method of segment income or loss. As a result, for the fiscal year ended March 31, 2022, net sales of Japan segment increased by ¥15,881 million and North America segment decreased by ¥57,884 million, respectively, and segment income of Japan segment increased by ¥4,561 million, compared with the previous method.

**(Information on Amounts Per Share of Common Stock)**

	FY2021 (April 1, 2020 to March 31, 2021)	FY2022 (April 1, 2021 to March 31, 2022)
Net assets per share of common stock (Yen)	1,876.40	2,065.74
Net income/(loss) per share of common stock (Basic) (Yen)	(50.26)	129.49
Net income per share of common stock (Diluted) (Yen)	-	129.38

Note1: For the fiscal year ended March 31, 2021, although potentially dilutive securities exist, since net loss was recorded, diluted information is not presented.

Note2: The calculation basis of Net income per share of common stock is as follows.

	FY2021 (April 1, 2020 to March 31, 2021)	FY2022 (April 1, 2021 to March 31, 2022)
Net income/(loss) per share of common stock:		
Net income/(loss) attributable to owners of the parent (Millions of Yen)	(31,651)	81,557
Amount not attribute to common stock shareholders (Millions of Yen)	-	-
Net income/(loss) attributable to owners of the parent related to common stock (Millions of Yen)	(31,651)	81,557
Average number of shares outstanding during the period (Thousands of shares)	629,786	629,852
Diluted net income per share of common stock		
Net income adjustment attributable to parent company shareholder (Millions of Yen)	-	-
Increase in common stock (Thousands of shares)	-	516
(of which Stock Acquisition Rights (Millions of Yen))	-	(516)
Overview of potentially dilutive common stock not included in the calculation of diluted net income per share because the stock have no dilution effect	-	-

Note3: The calculation basis of Net assets per share of common stock is as follows.

	FY2021 (As of March 31, 2021)	FY2022 (As of March 31, 2022)
Total Net assets (Millions of Yen)	1,195,830	1,316,697
Amount deducted from total Net assets (Millions of Yen)	14,100	15,557
(of which Stock Acquisition Rights (Millions of Yen))	(382)	(440)
(of which Non-controlling Interests (Millions of Yen))	(13,718)	(15,117)
Net assets related to common stock (Millions of Yen)	1,181,730	1,301,140
Number of common stock used in the calculation of net assets per share (Thousands of shares)	629,785	629,865

**(Significant Subsequent Events)**

Not applicable

## 4. Unconsolidated Financial Statements and Major Footnotes

### (1) Unconsolidated Balance Sheets

(Millions of Yen)

As of	FY2021 March 31, 2021	FY2022 March 31, 2022
<b>ASSETS</b>		
Current Assets:		
Cash and deposits	389,259	421,835
Accounts receivable - Trade	273,780	265,708
Securities	147,900	71,000
Finished products	64,376	43,486
Work in process	57,910	65,431
Raw materials and supplies	11,131	17,180
Prepaid expenses	4,465	5,480
Accounts receivable - Other	89,692	73,913
Short-term loans receivable	93,615	145,667
Other	32,422	32,589
Allowance for doubtful receivables	(172)	(148)
Total current assets	1,164,378	1,142,141
Non-current Assets:		
Property, plant and equipment:		
Buildings	84,889	90,876
Structures	14,426	14,632
Machinery and equipment	180,031	199,713
Vehicles	2,424	3,381
Tools, furniture and fixtures	17,570	18,376
Land	296,430	296,986
Leased assets	3,554	2,910
Construction in progress	74,583	79,582
Total property, plant and equipment	673,907	706,456
Intangible assets:		
Software	34,953	41,006
Total intangible assets	34,953	41,006
Investments and other assets:		
Investment securities	75,789	95,719
Stocks of subsidiaries and affiliates	247,902	247,902
Investments in capital of subsidiaries and affiliates	42,629	42,629
Long-term loans receivable from subsidiaries and affiliates	9,825	7,232
Long-term prepaid expenses	16,765	16,867
Deferred tax assets	37,208	15,355
Other	5,949	17,242
Allowance for doubtful receivables	-	(4,770)
Total investments and other assets	436,067	438,176
Total non-current assets	1,144,927	1,185,638
Total Assets	2,309,305	2,327,779

(Millions of Yen)

As of	FY2021 March 31, 2021	FY2022 March 31, 2022
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable - Trade	300,583	278,191
Long-term loans payable due within one year	-	51,000
Lease obligations	1,794	1,496
Accounts payable - Other	14,971	11,135
Accrued expenses	67,479	76,143
Income taxes payable	222	3,502
Deposit received	44,764	41,976
Reserve for warranty expenses	80,504	66,261
Forward exchange contracts	1,807	5,596
Other	1,113	15,755
Total current liabilities	513,237	551,055
Non-current Liabilities:		
Bonds	50,000	50,000
Long-term loans payable	658,000	537,000
Lease obligations	2,212	1,808
Deferred tax liability related to land revaluation	64,537	64,537
Reserve for retirement benefits	27,671	25,010
Reserve for loss on business of subsidiaries and affiliates	8,493	20,643
Long-term guarantee deposited	6,618	5,999
Asset retirement obligations	4,019	4,033
Other	8,514	5,476
Total non-current liabilities	830,064	714,506
Total Liabilities	1,343,301	1,265,561
<b>NET ASSETS</b>		
Capital and Retained Earnings:		
Common stock	283,957	283,957
Capital surplus		
Capital reserve	193,847	193,847
Other capital surplus	73,811	73,786
Total capital surplus	267,658	267,633
Retained earnings		
Other earned surplus		
Unappropriated retained earnings	254,920	338,335
Total retained earnings	254,920	338,335
Treasury stock	(2,182)	(2,095)
Total capital and retained earnings	804,353	887,830
Valuation and Translation Adjustments:		
Net unrealized gain/(loss) on available-for-sale securities	15,973	29,793
Deferred gains/(losses) on hedges	(240)	(1,381)
Land revaluation	145,536	145,536
Total valuation and translation adjustments	161,269	173,948
Stock Acquisition Rights	382	440
Total Net Assets	966,004	1,062,218
Total Liabilities and Net Assets	2,309,305	2,327,779

## (2) Unconsolidated Statements of Operations

(Millions of Yen)

	For the years ended	
	FY2021 March 31, 2021	FY2022 March 31, 2022
Net sales	2,135,873	<b>2,339,290</b>
Cost of sales	1,915,570	<b>1,937,447</b>
Gross profit	220,303	<b>401,843</b>
Selling, general and administrative expenses	303,185	<b>331,966</b>
Operating income/(loss)	(82,882)	<b>69,877</b>
Non-operating income		
Interest income	2,356	<b>1,789</b>
Interest income of securities	11	<b>9</b>
Dividends income	44,094	<b>34,907</b>
Rental income	4,279	<b>4,272</b>
Foreign exchange gain	15,398	<b>30,245</b>
Other	815	<b>552</b>
Total	66,953	<b>71,774</b>
Non-operating expenses		
Interest expense	4,452	<b>4,663</b>
Interest paid on bonds	166	<b>166</b>
Other	2,536	<b>6,808</b>
Total	7,154	<b>11,637</b>
Ordinary income/(loss)	(23,083)	<b>130,014</b>
Extraordinary income		
Gain on sales of property, plant and equipment	20	<b>10</b>
Gain on sales of investment securities	39	-
Gain on reversal of reserve for loss on business of subsidiaries and affiliates	22,196	-
Other	3	<b>24</b>
Total	22,258	<b>34</b>
Extraordinary losses		
Loss on sales of property, plant and equipment	5	<b>3</b>
Loss on retirement of property, plant and equipment	3,058	<b>3,496</b>
Impairment loss	492	<b>487</b>
Loss on production suspension and others due to the novel coronavirus	16,915	<b>8,861</b>
Reserve for loss on business of subsidiaries and affiliates	-	<b>12,150</b>
Other	2	<b>507</b>
Total	20,472	<b>25,504</b>
Income/(loss) before income taxes	(21,297)	<b>104,544</b>
Income taxes		
Current	3,033	<b>3,802</b>
Deferred	11,483	<b>16,213</b>
Total	14,516	<b>20,015</b>
Net income/(loss)	(35,813)	<b>84,529</b>

### (3) Unconsolidated Statements of Changes in Net Assets

(For the Year Ended March 31, 2021)

	Capital and Retained Earnings					
	Common stock	Capital surplus		Retained earnings	Treasury stock	Total Capital and Retained earnings
		Capital reserve	Other capital surplus	Other earned surplus Unappropriated retained earnings		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2020	283,957	193,847	73,811	303,291	(2,181)	852,725
Cumulative effects of changes in accounting policies						-
Restated balance	283,957	193,847	73,811	303,291	(2,181)	852,725
Changes during the period:						
Dividends paid				(12,596)		(12,596)
Net loss				(35,813)		(35,813)
Purchase of treasury stock					(1)	(1)
Sale of treasury stock						-
Reversal for land revaluation				38		38
Changes in items other than capital and retained earnings, net						
Total changes during the period	-	-	-	(48,371)	(1)	(48,373)
Balance at March 31, 2021	283,957	193,847	73,811	254,920	(2,182)	804,353

	Valuation and Translation Adjustments				Stock Acquisition Rights	Total Net Assets
	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges	Land revaluation	Total valuation and translation adjustments		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
Balance at April 1, 2020	2,926	305	145,574	148,805	290	1,001,820
Cumulative effects of changes in accounting policies						-
Restated balance	2,926	305	145,574	148,805	290	1,001,820
Changes during the period:						
Dividends paid						(12,596)
Net loss						(35,813)
Purchase of treasury stock						(1)
Sale of treasury stock						-
Reversal for land revaluation						38
Changes in items other than capital and retained earnings, net	13,047	(545)	(38)	12,464	92	12,556
Total changes during the period	13,047	(545)	(38)	12,464	92	(35,816)
Balance at March 31, 2021	15,973	(240)	145,536	161,269	382	966,004



(For the Year Ended March 31, 2022)

	Capital and Retained Earnings					
	Common stock	Capital surplus		Retained earnings	Treasury stock	Total Capital and Retained earnings
		Capital reserve	Other capital surplus	Other earned surplus Unappropriated retained earnings		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
<b>Balance at April 1, 2021</b>	283,957	193,847	73,811	254,920	(2,182)	804,353
<b>Cumulative effects of changes in accounting policies</b>				(1,114)		(1,114)
<b>Restated balance</b>	283,957	193,847	73,811	253,806	(2,182)	803,239
<b>Changes during the period:</b>						
Dividends paid						-
Net income				84,529		84,529
Purchase of treasury stock					(1)	(1)
Sale of treasury stock			(25)		88	63
Reversal for land revaluation						-
Changes in items other than capital and retained earnings, net						
<b>Total changes during the period</b>	-	-	(25)	84,529	87	84,591
<b>Balance at March 31, 2022</b>	283,957	193,847	73,786	338,335	(2,095)	887,830

	Valuation and Translation Adjustments				Stock Acquisition Rights	Total Net Assets
	Net unrealized gain/(loss) on available-for-sale securities	Deferred gains/(losses) on hedges	Land revaluation	Total valuation and translation adjustments		
	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen	Mil.yen
<b>Balance at April 1, 2021</b>	15,973	(240)	145,536	161,269	382	966,004
<b>Cumulative effects of changes in accounting policies</b>						(1,114)
<b>Restated balance</b>	15,973	(240)	145,536	161,269	382	964,890
<b>Changes during the period:</b>						
Dividends paid						-
Net income						84,529
Purchase of treasury stock						(1)
Sale of treasury stock						63
Reversal for land revaluation						-
Changes in items other than capital and retained earnings, net	13,820	(1,141)	-	12,679	58	12,737
<b>Total changes during the period</b>	13,820	(1,141)	-	12,679	58	97,328
<b>Balance at March 31, 2022</b>	29,793	(1,381)	145,536	173,948	440	1,062,218

#### **(4) Footnotes to the Unconsolidated Financial Statements**

##### **(Note on the Assumptions as Going Concern)**

Not applicable

##### **(Additional Information)**

- Accounting Estimates Regarding the Impact of Novel Coronavirus

As the impact of the novel coronavirus pandemic is still unpredictable, the Company has assessed the recoverability of deferred tax assets assuming the limited impact will continue on the fiscal year ending March 31, 2023.

It should be noted that the changes in the assumptions including the global spread of the novel coronavirus in the future may affect the Company's unconsolidated financial results.

**Financial Summary (Consolidated)**  
For the Fiscal Year Ended March 31, 2022

May 13, 2022  
Mazda Motor Corporation

(In 100 millions of yen) (In thousands of units) (Upper left: return on sales)		FY 2021 Full Year (Apr.'20-Mar.'21)		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	FY 2022 Full Year (Apr.'21-Mar.'22)		FY 2023 Full Year Forecast (Apr.'22-Mar.'23)	
Domestic	1	5,945	(5.6)	1,431	1,207	1,316	1,742	5,696	(4.2)	6,100	7.1
Overseas	2	22,876	(18.3)	6,603	5,718	5,349	7,837	25,507	11.5	31,900	25.1
Net sales	3	28,821	(16.0)	8,034	6,925	6,665	9,579	31,203	8.3	38,000	21.8
Operating income	4	88	(79.8)	261	136	240	405	1,042	—	1,200	15.1
Ordinary income	5	283	(46.8)	265	74	257	639	1,235	337.2	1,050	(15.0)
Income before income taxes	6	22	(95.5)	254	105	150	615	1,124	—	1,000	(11.0)
Net income attributable to owners of the parent	7	(317)	—	114	125	55	522	816	—	800	(1.9)
Operating income by segment (geographic area)											
Japan	8	(647)		171	80	317	289	857			
North America	9	405		30	(41)	193	(277)	(95)			
Europe	10	100		29	17	30	73	149			
Other areas	11	178		54	25	46	40	165			
Operating income changes											
Volume & mix	12			952	126	(256)	162	984		964	
Exchange rate	13			139	108	110	100	457		450	
Cost improvement	14			(75)	(164)	(155)	(200)	(594)		(728)	
Fixed costs and others	15			(97)	142	243	(65)	223		(439)	
Transfer to extraordinary loss	16			—	—	89	—	89		—	
Transfer of extraordinary loss in the previous fiscal	17			(205)	—	—	—	(205)		(89)	
Total	18			714	212	31	(3)	954		158	
Average rate for the period (Yen)											
USD	19	106		110	110	114	116	112		123	
EUR	20	124		132	130	130	130	131		133	
Capital expenditures	21	930		263	308	466	406	1,443		1,200	
Depreciation and amortization	22	898		223	217	218	245	903		1,050	
R & D cost	23	1,274		336	348	354	308	1,346		1,400	
Total assets	24	29,174		29,977	28,763	30,038		29,681			
Net assets	25	11,817		11,935	12,040	12,184		13,011			
Financial debt	26	7,559		8,677	8,598	8,848		6,808			
Net cash	27	(171)		(299)	(459)	(1,169)		596			
Free cash flow (Operating & Investing)	28	412		(112)	(138)	(767)	1,546	529			
Japan	29	176	(12.9)	28	32	35	54	149	(15.8)	191	28.3
North America	30	403	1.6	138	111	84	107	439	8.9	483	9.9
Europe	31	178	(32.3)	55	51	40	43	190	6.3	190	0.0
China	32	228	7.8	47	42	45	36	170	(25.5)	170	0.0
Other	33	301	(12.7)	86	71	66	81	303	0.7	316	4.0
Global retail volume	34	1,287	(9.3)	353	307	270	321	1,251	(2.8)	1,349	7.8
Japan	35	166	(11.3)	38	31	35	48	152	(8.3)	173	13.7
North America	36	374	(11.2)	101	88	75	121	386	3.2	489	26.9
Europe	37	172	(35.6)	50	41	32	46	169	(1.8)	187	10.5
Other	38	278	(22.2)	72	60	65	88	284	2.2	331	16.4
Consolidated wholesales volume	39	990	(19.7)	261	220	207	303	991	0.1	1,180	19.0
Domestic	40	748	(23.1)	186	126	191	194	696	(6.8)		
Overseas	41	424	(8.3)	83	71	84	89	327	(22.8)		
Global production volume	42	1,171	(18.3)	268	197	275	283	1,024	(12.6)		
Number of employees (excluding dispatches)	43	49,786						48,750			

Note: Global retail volume refers to the total retail units of Mazda-brand vehicles sold on a global basis.

Consolidated wholesales volume does not include vehicles which are sold by other brands.

In accordance with the application of the "Accounting Standard for Revenue Recognition", etc. effective from the beginning of the fiscal year ended March 31, 2022, domestic dealers' sales recognition of new car has been changed to one that recognizes revenue at the time of the

Global production volume refers to the total volume of the units produced in the domestic plant and Mexico plant (including other brands) plus the units of Mazda-brand vehicles produced in other overseas plants (mainly in the U.S. and China and Thailand).

# Financial Summary (Unconsolidated)

## For the Fiscal Year Ended March 31, 2022

May 13, 2022  
Mazda Motor Corporation

(In 100 millions of yen)

(In thousands of units)

(Upper left: return on sales)

			FY 2021 Full Year (Apr.'20-Mar.'21)		FY 2022 Full Year (Apr.'21-Mar.'22)	
				%		%
	Domestic	1	3,971	(11.5)	3,656	(7.9)
	Export	2	17,388	(18.6)	19,737	13.5
Net sales		3	21,359	(17.4)	23,393	9.5
Operating income		4	(3.9%) (829)	-	3.0% 699	-
Ordinary income		5	(1.1%) (231)	-	5.6% 1,300	-
Income before taxes		6	(1.0%) (213)	-	4.5% 1,045	-
Net income		7	(1.7%) (358)	-	3.6% 845	-
Average rate for the period (Yen)		8	USD 106 EUR 124		USD 112 EUR 131	
Capital investment		9	584		848	
Depreciation & amortization		10	458		443	
R & D cost		11	1,280		1,337	
Total assets		12	23,093		23,278	
Net assets		13	9,660		10,622	
Financial debt		14	7,120		6,413	
Net cash		15	(1,748)		(1,485)	
	Japan	16	173	(12.8)	155	(10.5)
	North America	17	350	(11.2)	346	(1.1)
	Europe	18	180	(30.7)	143	(20.5)
	Others	19	233	(24.9)	244	4.6
Wholesales volume		20	936	(19.5)	888	(5.1)
Domestic production volume		21	748	(23.1)	696	(6.8)
Number of employees (excluding dispatches)		22	22,611		22,652	

Note: Wholesales volume does not include vehicles which are sold by other brands.